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	MEM	ORAN	DUM FOR:	Director of Central Intellig	gence				
THRU:				Deputy Director of Central Deputy Director (Administrat	intelligence Document No.				
			:	Depletion of the Director's	Class. Communication TS	25X1			
	1.	PRO	BEEN:	•	Date: 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
		How	can the	Agency hest meet the continui	ng need for a reservoir of				
		civ	vilian cei	ling positions in the face of	a diminishing Director's				
		Cei	ling Rese	rve?					
	2.	FAC	TS BEARIN	G ON THE PROBLEM:					
		a.		cy civilian ceiling as of 31 the Director's Reserve. Tota		25X9A2			
251	(9A:	2							
2 J/	\ <i>3</i> /\.	_		this ceiling amounted to leavingunused ceiling slots. 25X9A2					
			These unused ceiling slots are distributed in a reasonably equitable						
			fashion	mponents.					
		b.	Tab A pr	esents the relationship betwe	en civilian ceilings and				
			civilian	s on duty subject to ceiling	for eleven recent months.				
			During t	hese eleven months, ceiling h	as increased slightly while				
			the numb	er of employees on duty has d	eclined a little. However,				
			the gap	between ceiling and number of	persons on duty appears fairly				
				and, because of the perpetua					
			problems	, it appears that this gap wi	ll not be closed appreciably				
				esent conditions.	• • • • • • • • • • • • • • • • • • • •	•			
		c.	An exami	nation of Agency attrition ve	rsus replenishment indicates				
					iting and processing at a rate				
					onclusion is also evidenced in				
			Tab A.						

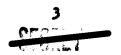
	d.	The Agency's FT 1955 operating budget provides for a total average	. *
25X9A2		employment under ceiling of; and our FY 1956 budget con-	
25X9A2		templates These figures include an average employment of	
		60 for the Interim Assignment Branch of the Office of Personnel.	
	•.	Ceiling increases have been accomplished in the past primarily	
		through two devices: (1) Withdrawals from the Director's Reserve	
		and (2) An increase in the Agency ceiling without reference to the	
		Director's Reserve.	
•	ſ.	As of 5 October 1954 there were two positions in the Director's	
		Reserve with no known commitments against them.	
3.	DIS	SCUSSION:	
	2.	A comparison of the number on duty under ceiling on 31 August 1954	
25X9A2		with the FY 1955 average employment budgeted for	25X9A2
		indicates that the Agency has an average employment growth margin	
		of 105 for the current fiscal year.	
5X9A2	ъ.	The 31 August ceiling of offers a potential for growth be-	
		yond existing budgetary provisions. However, Agency experience	· ¬;
		during the past year indicates a plateau situation with reference	
		to number of employees on duty. In addition, the Office of Personnel	
		is in position to observe and control factors influencing Agency	
		strength. Thus, in filling up to our budgeted strength, it makes	
		little practical difference as to whether we absorb unused ceiling	
		or add ceiling for this purpose. With a ceiling ofin excess	25X9A2
		of budgeted average employment, the best immediate controls over	20, (0, (2
		the number of employees on duty exist in the Office of Personnel.	

- c. The following methods of coping with/diminishing ceiling reserved:
 - (1) Eliminating the ceiling reserve as such, thereby requiring major components to live within existing ceilings.
 - (2) Recapturing all or a part of unused ceiling for replenishment of the reserve.
 - (3) Recapturing ceiling allocated to casuals such as those in the Interim Assignment Branch, Junior Officer Trainees, and those on leave without pay in order to reconstitute the reserve.
 - (4) Replenishing the ceiling reserve and continuing the present system. The choice of (1) above is a possibility under any set of circumstances and could be done in combination with (2) or (3). Its use exclusively would deny the existence of an obvious need for an Agency reserve to accommodate small contingency type ceiling increases.

Utilization of method (2) above would offer all of the advantages of (1) in that both methods assume the utilization of unused ceiling. The use of method (2) would be contrary to the existing policy of having T/O's match ceilings.

Method (3), in effect, is simply an accounting transaction. It would serve to reduce the Agency's ceiling
arithmetically
automatically but it would offer the disadvantage of removing
from ceiling control certain employees now subject to ceiling.

Method (4) offers the opportunity to solve the problem with least disruption to the present system. It would result



in gradual additions to the present Agency ceiling as the reserve is used. The governing factor is the number of employees on duty as related to the budget, and this situation requires closer control than the ceiling. Thus, method (4) appears to be the desirable choice because of ease of immediate application.

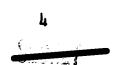
d. The Director's Reserve has been used generally to satisfy the smaller ceiling increases while larger increases have been accomplished through increases in the Agency's ceiling without reference to the Reserve. The larger increases obviously should be approved by the Director. However, it does not appear necessary to burden the Director with formal requests for withdrawal from the Director's Reserve. The Director could still maintain control over the Agency's ceiling by granting to the DD/A a specified reserve allocation to be approved by the DD/A for use as needed until exhausted.

4. CONCLUSIONS:

a. The consistent relationship between Agency ceiling and employees on duty under ceiling indicates that approximately of the total Agency ceiling will remain unused under present circumstances.

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- b. The most desirable immediate solution to the problem is through replenishment of the ceiling reserve and continuance, for the present, of the existing system.
- c. Based upon past performance, one hundred ceiling positions in a reserve may be expected to last at least one year.



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- d. Funds are available to tolerate the gradual resultant ceiling increase provided the Office of Personnel continues present personnel replenishment and recruitment practices.
- e. The Director should allocate to the DD/A one hundred ceiling positions for satisfying small ceiling increases. This would eliminate the numerically extinct Director's Seiling Reserve and reconstitute an Agency Ceiling Reserve under the DD/A.

5. RECOMNENDATIONS:

It is recommended that the Director's Ceiling Reserve be eliminated in favor of a reconstituted Agency Ceiling Reserve of one hundred to be administered by the DD/A until exhausted.

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